

# PROJECT HAMMER RELOADED

*A web of intrigue connects a diverse collective of players who have conducted and benefited from secret collateral trading programmes which also have covert funding purposes.*

*Part 2 of 2*

by David G. Guyatt © 2003

c/- NEXUS Office  
55 Queens Road  
East Grinstead, W. Sussex RH19 1BG  
United Kingdom

Website:  
<http://www.deepblacklies.co.uk>

## MAPPING THE COVERT CONNECTIONS

(continued from Part 1)

• **Peter Seaman:** In addition to being the President and Chairman of Nantucket Holding Company, Peter Seaman was a successful businessman and involved in a number of other enterprises. These included an entity called Harbor Fuel Holdings Co., Inc. of Westchester County, in which Seaman was a partner with attorney Stuart Root. Both Root and Seaman were clients of attorney Kenneth C. Ellis. Root was a director of another firm called Bowery Advisors Subsidiary Corporation, which was registered in Florida with a principal mailing address of Kenneth C. Ellis "care of" the Southeast First National Bank building, located at Biscayne Boulevard, Miami. Seaman had a residence in Greenwich, Connecticut, where, by another odd coincidence, his next-door neighbour was Citibank's John Reed.

Following his close association with Dan Hughes in setting up the MidAval Hammer deal in October 1989, Seaman thereafter refused to speak with Hughes ever again. Whether it was guilt for diverting Hughes's commission or some other factor that caused this extraordinary vow of silence, we shall never know. Peter Seaman died, taking all his secrets with him.

• **Oswald Howe, Jr:** Dan Hughes's attorney throughout the Hammer deal and the subsequent years of investigation was Oswald (Ozzie) Howe, Jr, of the Miami law firm of Mershon, Sawyer, Johnston, Dunwoody & Cole, whose offices were located in the Southeast Bank building at the Southeast Financial Center. According to Dan Hughes, it was Howe who introduced him to Southeast Bank, and Howe did a lot of real estate work for the bank. Hughes also feels that his ongoing law case would be a great deal more effective if several vital documents had not mysteriously disappeared from Howe's office. In any event, Mershon, Sawyer, Johnston, Dunwoody & Cole is now defunct, and Howe practises law and is the senior partner for Howe, Robinson & Watkins LLP in Miami.

• **Southeast Bank:** Southeast Bank NA was declared insolvent on 19 September 1991; it exists no more. Over the years it could boast some famous, if not infamous, clients—but one suspects that such boasting was the last thing the bank's board of directors had in mind. One such account "holder" was Philippine dictator Ferdinand Marcos, who used his henchman and former law school classmate Roberto Benedicto to front for him. In addition to being appointed by Marcos as the Philippines Ambassador to Japan, Benedicto was a signatory to Marcos's Credit Suisse accounts and was clearly content to be used by Marcos as a cat's-paw to hide his money and gold bullion.<sup>27</sup> Benedicto died in May 2000, following a heart attack.

Other illustrious clients of Southeast Bank over the years have included such criminal luminaries as Licio Gelli and Michele Sindona, named by author Luigi DiFonzo in his book, *St Peter's Banker*. DiFonzo reveals that US\$34 million of the "lost" money of Robert Calvi's collapsed bank, the Banco Ambrosiano, was traced to that bank's subsidiary in Nassau, where it was withdrawn and smuggled to two Miami banks, one of these being the Southeast First National Bank (of Miami)—where it was deposited in account number 18221465.<sup>28</sup>

• **Bankers Trust:** Bankers Trust International, a subsidiary of Bankers Trust, was the other Miami bank named in *St Peter's Banker* as having funds stolen from Banco Ambrosiano deposited with it. According to DiFonzo, these funds were deposited into account number 001050018, which was also controlled by Licio Gelli and Michel Sindons (i.e., Michele Sindona).

In 1982, Ferdinand Marcos arranged via his right-hand man, General Fabian Ver, to

transfer 50 tonnes of gold bullion to Switzerland via two chartered 747 aircraft. These were arranged by an individual using the name Ron Lusk, who had been retained by Ver to deliver the gold to Bankers Trust, Zurich.<sup>29</sup>

Bankers Trust is of considerable interest for other reasons, too. Firstly, readers will recall that Dan Hughes caused two sight drafts to be issued in favour of Bankers Trust for the collateral commitment relative to the Chase and Citibank debenture instruments—an activity which, as we have already seen, caused General Erle Cocke to believe kicked off the Project Hammer programme in a big way.

Secondly, the lawyers and investigators who were building a lawsuit for Dan Hughes and other clients cheated out of their money were quietly negotiating with the Central Intelligence Agency in an attempt to settle privately and quietly out of court. According to Dan Hughes, these negotiations were taking place with the office of Buzzy Krongard, the then No. 3 man in the CIA hierarchy.

By profession, Krongard is a banker and formerly was the Chairman and CEO of investment bank Alex. Brown, Inc. In September 1997, Krongard engineered the merger of Alex. Brown with Bankers Trust and became the Vice Chairman of the board of directors of Bankers Trust. A few months later, in January 1998, he was recruited as a "counsellor" to CIA boss George Tenet. In March 2001, he was promoted to Executive Director, making him the No. 2 man of the spy agency.

But the strange coincidences don't end there. South African intelligence operatives Rolf van Rooyen and Riaan Stander,<sup>30</sup> who are both deeply enmeshed in the Project Hammer story, were working closely with Gregory Serras, the President/CEO of the San Diego brokerage firm, Vanguard Capital. This involved discussions for Vanguard to act on their behalf in the private placement of Argentinian government-approved debenture instruments that formed part of a trading programme that van Rooyen and Stander had been working on. In a signed letter, Serras—acting on behalf of his bank, Morgan Stanley & Co.—requested confirmation that the debentures in question were "legal securities authorized and approved by the government of Argentina..."

Vanguard appears to change its banking relationships from time to time. In the period that Serras was in contact with van Rooyen, its relationship was with Morgan Stanley & Co. Today it is with the Bank of New York, Inc.—itself no stranger to front-page scandals, such as those involving money-laundering activities for Russian crime syndicates and political figures.<sup>31</sup> Of interest is the fact that Vanguard was earlier affiliated with Buzzy Krongard's old firm, Alex. Brown, which, following the takeover of Bankers Trust by Germany's Deutsche Bank, changed its name to Deutsche Banc Alex. Brown, Inc.

The fact is that when it comes to the fraternity of banking, one can often disregard the supposed rivalry that is said to exist, because incestuous relationships are commonplace. In the past, at least, the big banks owned significant chunks of each other's stock, whereas nowadays they just tend to merge. Take, for example, the Bank of America, whose second-largest stockholder

was J. P. Morgan. In third place was Citibank. Meanwhile, Citibank's largest stockholder was J. P. Morgan, which in December 2000 merged with Chase Manhattan to form the all-powerful J. P. Morgan Chase.<sup>32</sup> Bankers Trust was a J. P. Morgan creation from day one.

• **White & Case:** No doubt by sheer coincidence alone, the Marcos account held by Roberto Benedicto at Southeast Bank was a White & Case Trust account (number 018-410191).

It may also have been mere coincidence that Peter Seaman's and Stuart Root's attorney, Kenneth C. Ellis—who was the registered addressee at Southeast Bank building for the Bowery Advisors Subsidiary Corporation—is also listed on the White & Case website as a partner of that firm, who specialises in financial matters and who now works out of its Singapore office.

• **UBS, Lugano:** One of the more flamboyant financiers of recent decades undoubtedly is the Italian, Florio Fiorini, the former finance director of the Italian state-owned oil company, ENI. Fiorini is best known for his failed attempt to rescue Roberto Calvi's bankrupt private bank, Banco Ambrosiano—an affair that also involved Mafia financier Michele Sindona and, of course, Licio Gelli, the Grandmaster of the secret masonic lodge, P2, that was a parallel *de facto* government of Italy.

Unlike others, Fiorini spilled the beans, and he did so in two books that he wrote while in Champ-Dollon prison, Switzerland, for "fraudulent bankruptcy". Of the many secrets he revealed, one of the most explosive was the now infamous *conto protezione* (protection account), used to launder profits derived from myriad insider-dealing activities by some of the largest and most prestigious banks and transnational corporations in Europe.

A significant slice of the profits was paid to what Fiorini amusingly described as "the starving of the parties". In plain words, these allocations were kickbacks paid to the vari-

ous political parties.

The administrator of the secret kickback account (number 633369) was a member of P2 and also a former Minister of Justice of disgraced Prime Minister Bettino Craxi, who went by the name of Claudius Hammerings—and if one deletes the last four letters of his name, coincidence throws up the word "Hammer".<sup>33</sup> Readers will by now have guessed that the account was held at UBS, Lugano.

Fiorini's name also appears prominently in the story of the looting of MGM, the famous Hollywood film studio, by Italian Mafia "thug" Giancarlo Paretto. The MGM affair was an event that almost brought France's state-owned bank, Credit Lyonnais, crashing to its knees. Without intervention and an infusion of considerable sums of money from the French taxpayer, France's once proud bank would have folded.

This is not the place to recount the MGM/Credit Lyonnais story, but it is of passing interest only to note that Credit Lyonnais recruited attorney Charles Meeker to join MGM as president, to handle negotiations with Paretto. Prior to joining MGM, Meeker was with the law firm of White & Case.<sup>34</sup> Following a warrant issued by France, Paretto was eventually arrested and cuffed by US federal agents in a conference room in the downtown Los Angeles office of White & Case.

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Credit Lyonnais has also been deeply involved in Black Eagle gold transactions. In one transaction I am familiar with, a large block of bullion was to be purchased by a representative operating on behalf of Credit Lyonnais Rouse Limited, London, the precious metals trading arm of the bank.<sup>35</sup>

It is also interesting to note that UBS, Lugano, was not only the bank of choice for those running the secret insider trading protection account; it was also the bank of choice for former Philippines dictator Ferdinand Marcos. The numerous confidential accounts he had at that bank have been dubbed the "Mother" money-laundering account for the Marcos family by Marcos gold investigator Reiner Jacobi.<sup>36</sup>

But the UBS connections don't end there. The Honorary Chairman of UBS (now part of the Swiss Bank Corporation Group) is Nicholas Senn, who was also the Chairman of the enormous transnational corporation, Compagnie Financière Richemont AG, until his retirement in September 2002. Senn was also the senior partner of the Swiss-based international law and consultancy firm of Senn, Christians and Letemeyer, which, coincidentally, acted for the late Baron Arndt Krupp.

In particular, Carl Letemeyer and Nicholas Senn worked hard on behalf of the Krupp Estate in regard to the Krupp Heritage & World Peace Foundation (Singapore), which received a legacy of US\$97 billion from Baron Krupp. This was a cash gift. According to documents I have in my possession, Krupp's "secret" properties and businesses did not form part of this legacy. However, the most interesting fact is that, prior to his death, Baron Arndt Krupp controlled some of the Santa Romana "Black Eagle" fund assets. Of the \$97 billion gifted, \$47 billion was on deposit in account number 4 77 22 P with the Trust Department of the Standard & Chartered Bank, London.

• **Indosuez:** This is one of those banks which are barely visible but consistently circle the waters of black gold and Project Hammer—like a prowling

shark with just the tip of its dorsal fin showing. For example, in one bullion transaction being negotiated by Dr A. König, the Swiss representative of Rolf van Rooyen's Eastcorp Syndicate, the nominated closing bank for the transaction was Indosuez, Lugano—where Eastcorp Holdings maintained an account.

This is in addition to the migration of some MidAval staff to Indosuez following their involvement in the Project Hammer trading programme, as outlined earlier. With the closure of Indosuez Aval, a rump of former MidAval employees (now unfortunately ex-Indosuez Aval as well), including MidAval's former CEO, found a new berth for their abilities. This was at Standard & Chartered Bank in London. Standard Bank Nominees, meanwhile, is the second largest shareholder of Oppenheimer's Anglo American, with a stake of 11.74 per cent.<sup>37</sup>

While knowledge of the hidden connections of the Hughes "portal" into Project Hammer is vital for an understanding of how the world of parallel finance operates, there are still deeper "rhythms" at work. An examination of these "rhythms" leads to

the companies, people and intelligence assets that sit at the heart of the so-called Anglo-American relationship.

## THE KESWICK-JARDINE CONNECTION

A few days after I published part one of Project Hammer in late October 2001, I was alerted to an anonymous posting at the Cryptome.org website (<http://www.cryptome.org>) of a document produced by the South African National Intelligence Agency in 1998. The document describes plans, then alleged to be in preparation, for a coup to occur during the 1999 South African general election. Whilst the coup did not happen, the document is of significance because it describes members of—and entities aligned with—the group who wished to disrupt the ruling African National Congress (ANC) political party.<sup>38</sup>

A large part of this document outlines the alleged involvement of Executive Outcomes (EO), the British-based private security company that is part of the Palace Group of companies. A few days prior to this document being made available, I had published charts showing the "network" of the Palace Group that formed the London end of the associated South African intelligence group known as the Eastcorp Syndicate. This group was headed by Rolf van Rooyen and Riaan Stander—both South African intelligence operatives who were deeply involved in Project Hammer. Not only were the London and South African networks closely aligned, but in some cases they also shared the same executives.<sup>39</sup>

One of the entities appearing on the Cryptome.org document as a member of the London network/Palace Group is Jardine Fleming of Hong Kong, listed under "Banking and Investments". Two lines beneath appears the name Defence Systems Ltd—a division of the arms manufacturer, Vickers. Jardine Fleming is also listed in the same document as a "role player", a few lines beneath the name of Tony Buckingham—the high-profile head of Executive Outcomes. In an accompanying financial report it is revealed that EO used account number 600774426 at

Jardine Fleming Bank Limited, located at Port Moresby, Hong Kong. The account, rendered as at 15 May 1998, held a balance of US\$36 million, and included Tony Buckingham among those authorised to sign cheques on the account.

Jardine Fleming Bank Limited was established in 1970 as a joint venture between the huge transnational company, Jardine Matheson Limited, and British merchant bank, Robert Fleming. Jardine's 50% stake in this Hong Kong bank was exchanged in 1999 for a direct 18% stake in Robert Fleming, which in April 2000 was sold to the Chase Manhattan Corporation—the holding company of what is now the huge US bank of J. P. Morgan Chase. But a year later, in May 2001, the magicians' musical chairs were in use again when it was announced that Jardine Fleming Bank was to be sold by J. P. Morgan Chase to Standard Bank. The transfer of ownership occurred on 3 July 2001, with the renaming of Jardine Fleming Bank to Standard Bank Asia Limited, but trading was under the new name of Standard Jardine Fleming Bank Limited.

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Of considerable significance is the fact that, at the time that Jardine, Emmett & Chandler—the firm of Boston insurance brokers mentioned earlier—issued its letter on behalf of MidAval, seeking collateral instruments, it was owned by Jardine Matheson Limited. Meanwhile, Jardine Resources Limited, with an address in the Isle of Man, was a business entity used by Rolf van Rooyen for collateral trading programme and other activities. The Isle of Man also boasted a branch of Jardine Fleming Bank Limited.

Jardine Matheson Limited, originally formed over 170 years ago, created a fortune from the China opium business. Since that time it has diversified enormously and remains the family fiefdom of the Keswick family, descendants of the firm's co-founder, William Jardine. The Keswick clan, in addition to having had family members awarded the chairmanship or directorship of such notable international companies as Hongkong & Shanghai Bank, Rio Tinto Zinc and Samuel Montagu (the London merchant bank that was part of the Midland Bank Group, itself now owned by HSBC), is also able to boast having had family members as the head of Britain's Secret Intelligence Service (SIS) and decades-long membership of the Court of the Bank of England.

Rio Tinto Zinc (RTZ) was founded in 1873 by Hugh Matheson, the co-founder of Jardine Matheson. In 1995, RTZ acquired a minority ownership in Freeport McMoRan. Anglo American (which has long had very close ties with RTZ), together with De Beers, is the fiefdom of the Oppenheimer family, which owns a significant piece of Lonrho. These three intertwined conglomerates dominate the precious metals and mining world—amongst achieving other notable accomplishments. For example, the Oppenheimers' Minorco holding company is believed to be the single largest investor in the United States.

Minorco, founded in 1981, was quick to obtain an interest in America's then biggest bank, Citibank, whose CEO, Walter Wriston, together with Citibank's principal attorney, Robert Clare, a partner of the powerful law firm of Shearson & Sterling, both accepted invitations to sit on the Minorco board.<sup>40</sup>

According to the authors of the book *Dope, Inc.*, the Keswick family controls a substantial part of the world's narcotics trade and uses HSBC, the bank it is said to control, to "provide centralized rediscounting facilities for the financing of the drugs trade".<sup>41</sup>

How true this is remains unknown to this writer, but it is known that Li Ka-shing—the Chinese billionaire who owns a 3% stake in Jardine Matheson Limited and has sat on the board of HSBC—has been accused of being a member of Chinese intelligence as well as being associated with the narcotics trade.<sup>42</sup> Indeed, the latter allegation arose repeatedly during my investigation of Project Hammer, while the use of HSBC as an "authorised six-point laundry" was also mentioned. Meanwhile, the description of "centralized rediscounting facilities" referenced by the authors of *Dope, Inc.* is suggestive, to this writer at least, of collateral trading techniques.

Such connections are almost endless, it seems. Take, for example, the rise to fortune of Peter Munk, Chairman of Barrick Gold which was formed in Toronto, Canada, in 1983, with the majority stake being held by the Saudi royal family middleman and arms dealer, Adnan Khashoggi. Khashoggi had long been associated

with Ferdinand and Imelda Marcos and the so-called Marcos gold. Indeed, so trusted was he that Marcos had him fronting for two "eclipsed" Marcos accounts—one in the name of Etablissement Mabari with the private Swiss bank of Lombard Odier & Cie, and the other in the name of Etablissement Gladiator at COGES Corratierie Gestion SA, Geneva. Of interest, too, is the fact that Sir Henry Keswick is reported to have been responsible for "lifting" Munk to a new career, although he also received patronage from Australia's now-deceased multi-billionaire businessman Sir Peter Abeles.<sup>43</sup>

Sir Peter received considerable attention in Jonathan Kwitny's excellent book, *The Crimes of Patriots*, because of his alleged Mafia connections and close association with Bernie Houghton and Michael Hand in the CIA drug smuggling laundry, the Nugan Hand Bank—which also arranged to ship gold bullion surreptitiously for Marcos.

At this point, it is worth reminding readers that Brigadier-General Erle Cocke—whom I referenced earlier concerning his affidavit detailing his knowledge and involvement in Project Hammer—was reported by Kwitny to be a key player in the Nugan Hand Bank. And Project Hammer is said to be a general continuation of Nugan Hand Bank activity.

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#### MARITIME FINANCING

The ties that bind are kept hidden from public view. Activities such as the one we have been discussing are made to operate on an "arms length" basis to confuse and also to ensure deniability. Following these subterranean and diverse threads can easily perplex the investigator, and patience and persistence are required to arrive at the reality that is hidden behind all the smoke and mirrors. The story of Puffin Investments is a case in point.

During a number of extensive telephone interviews with the Canadian, Barrie Wamboldt, it was hinted that it would be worthwhile to look into

the activities of an Alan Shepherd and a firm of his called Puffin Investments. Readers will remember that Barrie Wamboldt was involved with Project Hammer and had worked with General Cocke and Paul Green to recover Project Hammer funds.

Puffin Investment Company Limited, a Bahamas company, was owned by Old Harrovian Alan Shepherd, who had connections to the British royal family resulting from generous donations he made to the Royal Windsor Horse Show, of which he was vice president. In March 2001, Shepherd and Puffin Investments were involved in a High Court action initiated by the Financial Services Authority—the government watchdog—for enticing investors to put up money for a "sham" investment trading programme. According to the *Sunday Express* newspaper, reporting on the court case, up-front fees paid by investors on the promise of massive returns were not repaid.<sup>44</sup>

A week later, on 1 April 2001, the *Sunday Express* carried a further report detailing a lawsuit against Alan Shepherd, his American wife Sherry and previous Conservative Party "grantee" Sir Edward du Cann, who was the former Chairman of City merchant bank Keyser Ullman. Sir Edward was earlier involved in Tradeswind, an arms trading company in which he was a director with Tiny Rowland of Lonrho fame and the Egyptian, Ashraf Marwan—known as "Dr Death". Earlier in his career, du Cann

served as Chairman of Lonrho, thus working alongside board directors such as British MI6 luminary Nicholas Elliot.<sup>45</sup>

Shepherd, his wife Sherry and du Cann were being sued for £1.25 million in a dispute involving the search for "one of the world's most fabulous buried treasures". The treasure in question was "30 tons of gold statues, bullion, doubloons and precious stones", stolen by Scottish pirate Captain William Thompson. The treasure was currently valued at £500 million. The lawsuit was brought by Richard Bethell of the Bermuda-based Hart Group, who alleged that Shepherd and du Cann were guilty of "misrepresentations" over an agreement for the provision of various "services" to Shepherd's planned treasure hunt.

One cannot help but be reminded of stories that have circulated in the past concerning gold plundered by the Japanese during WWII and hidden in the Philippines—later to be recovered and "laundered" as treasure retrieved from Spanish galleons that had sunk while travelling from Peru to Spain. A variation of this story is the recovery of lost "pirate treasure"—otherwise known as gold—on the Cocos Islands.

Richard Bethell—elevated to Lord Westbury following the recent death of his father—is a former SAS and Scots Guards officer and, like Alan Shepherd, an Old Harrovian. The Hart Group, of which he is the Chief Executive Officer, is one of a number of companies that form the Global Marine Security Systems Company (GMSSCO). A distinct cynic—as this writer has become—would easily conclude that a marked similarity in structure exists between GMSSCO and Rolf van Rooyen's South African Eastcorp Syndicate that was closely allied with the London network of Executive Outcomes. For example, companies belonging to the Eastcorp Syndicate also had a maritime and security theme.

### APARTHEID'S MISSING BILLIONS

But the similarity doesn't end there. Lord Westbury is currently serving as Chief Executive Officer of Defence Systems Limited (DSL), which, as we have already seen, is an *integral* member of the London network of the Palace Group (named so because of its close proximity to the royal family's official London residence, Buckingham Palace).<sup>46</sup> Moreover, Executive Outcomes has been described as "the advance guard for major business interests engaged in a latter-day scramble for the mineral wealth of Africa".<sup>47</sup>

This is a particularly incisive description, and readers of the first part of this series will recall that one aspect of Project Hammer apparently involved the disappearance of substantial quantities of gold reserves, as well as stocks of De Beers diamonds, just prior to the takeover of the Republic of South Africa in 1994 by Nelson Mandela and the ANC. This theft has become known as "apartheid's missing billions".

Defence Systems Limited has a client list that comes straight from the top drawer and includes oil and gas companies like British Petroleum, Shell and British Gas of the UK and Amoco, Chevron, Exxon, Mobil and Texaco of the United States. Major mining and mineral extraction companies such as Canada's Cambior and De Beers and Anglo American of South Africa also feature, as does the giant US construction firm, Bechtel.

Another client is Canadian-based Ranger Oil, which by happy coincidence is the same name as an entity that forms part of the Palace Group and which is run by arms trader Mick Ranger. By miraculous good fortune, Mick Ranger was also a board member of Bridge SA—one of the entities formed and run by Rolf van Rooyen and Riaan Stander. Meanwhile, Sandline, which many knowledgeable insiders believe is Executive Outcomes by another name, has a client base that includes Rio Tinto Zinc.

DSL is now owned by Armor Holdings, Inc. of Jacksonville, Florida, but is still headquartered in London. This affiliation seems, on the face of it, to be a particularly binding one, for Armor Holdings is said to have its very own US spook-type "network".<sup>48</sup> The senior executives of Armor Holdings are predominantly bankers of one strain or another. Take, for example, Thomas W. Strauss, formerly a Vice Chairman of Salomon Brothers, the Wall Street investment bank that was once minority owned by the Oppenheims' Anglo American and De Beers strategic holding company, Minorco.<sup>49</sup> Until 1993, Salomons owned the controlling interest in the Bank of New York, which, as you will recall, is the current affiliated clearing bank of Gregory Serras's Vanguard Capital. Today, Salomons is owned by Citigroup.<sup>50</sup>

We might also mention Armor Holdings director Burt R. Ehrlich, whose family securities firm, Ehrlich and Boger, is owned by Cater Allen Bank of the Channel Islands, which specialises in "offshore finance"; likewise, Nicholas Sokolow, formerly a partner in the Wall Street firm of Coudert Brothers, and Warren B. Canders, a former Senior Vice President of Orion Bank Ltd, a merchant bank owned by the Royal Bank of Canada.

A subsidiary of Armor Holdings is the very shadowy United States Defense Systems, Inc. (USDS),

which on paper is based in Chantilly, Virginia, although its real operating headquarters are in Manassas, Virginia. Staff recruited by USDS are usually former military types or specialists with criminal intelligence backgrounds and possessing surveillance skills. They are usually told they will be working in support of Department of Defense programmes and will require a DoD security clearance. Operations in the past have included surveillance of US citizens during Fourth of July events at Capitol Mall in DC.<sup>51</sup>

### BIN LADEN AND SAUDI ARABIAN LINKS

A Google Internet search using the search term "Armor Holdings, Inc." revealed a curious message dated September 2001 from an aggrieved investor:

"I'm horrified to find one of my investments is in a company with links to bin Laden. Apparently it is common knowledge in London that a senior figure in Armor, Ambrose Cary, has familial ties to bin Laden and uses those in his work. How can it be allowed that a US company providing security to US companies, embassies and airports round the world can deal simultaneously with this type of person? Does anyone else have further information on this?"

Unsurprisingly, no answer to the question has been posted.<sup>52</sup>

Had this been the first bin Laden connection, it is likely I would have ignored it. However, the name had already arisen during a

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deposition given by Rolf van Rooyen to German police in 1995, following his detention and questioning. At that time, he admitted to being "involved" with a Jean Ruiz, of Saudi Finance.<sup>53</sup>

Saudi Finance (Saudifin), headquartered in Geneva, owned a controlling interest in Banque Al Saoudi via the Paris-based holding company, Saudi Arab Finance Corporation. Banque Al Saoudi was, according to a 1999 PBS Online *Frontline* story, one of the principal international financing vehicles for the bin Laden family. Interestingly, in 1989—in the early stages of Project Hammer's timeline—Banque Al Saoudi would have collapsed in bankruptcy had it not been for the timely intervention of the French central bank, the Banque de France, which shored it up prior to a partial takeover by none other than Banque Indosuez, which decided to change its name to Banque Française pour l'Orient. A year later, the bank merged with the Méditerranée Group. Of note is the fact that a subsidiary, Saudifin SA, was active in Panama until 1997, when it was dissolved.<sup>54</sup>

Moreover, the *Frontline* story revealed that both Banque Al Saoudi and Banque Indosuez were "instrumental" in financing a portion of Middle East weapons contracts during the 1970s and 1980s.

Meanwhile, those who are familiar with the story of black gold will recall that Dr Ole Bay was the controller on behalf of the CIA and US Treasury in the YAB/42 bullion transaction that involved then President Marcos of the Philippines. This transaction was structured to use cut-outs including Navegocian Global SA and DuPont, along with other CIA conduits, to make it ostensibly a private, non-government transaction.

The transaction code YAB/42 is also instructive. Not only does "YAB" spelled backwards yield the name "BAY" but, altogether, 42 "major trusts were tapped to help fund" the deal. Coincidentally, 42 is also the number of countries in which Santa Romana gold was deposited in the immediate post-WWII years to form the Black Eagle fund, discussed earlier.<sup>55</sup>

One of the more salient facts about the Puffin Investments fiasco is that Alan Shepherd's American wife, Sherry, is the daughter of Dr Ole Bay. Dr Bay is known to have been the "Master Wizard" who arranged and ran the Project Hammer trading programme. According to one former intelligence source familiar with the inner workings of Project Hammer, Dr Bay had told him that the ultimate responsibility for Hammer lay with the CIA and the US Treasury, and that Robert Rubin—who later became US Treasury Secretary—acted as Dr Bay's "gofer" on the project. Robert Rubin is now a director and Chairman of the Executive Committee of Citigroup.

If one had to choose a word to describe these apparently diverse connections, that word would surely have to be "incestuous".

Currently, Li Ka-shing (whom we mentioned earlier) is bidding to purchase control of the global communication network giant, Global Crossing (which was also mentioned earlier), via a joint venture of Ka-shing's Hutchison Whampoa and Singapore Technologies Telemedia. Representing Ka-Shing's bid to take control of Global Crossing was the powerful neo-conservative attorney, Richard Perle, who sought a nod of approval from the Pentagon for the deal. Perle, who is one of the present Bush Administration "think-masters", is close to Bush Senior, Cheney,

Rumsfeld and Wolfowitz and to others on the Defense Policy Board, which he chaired.

A recent story by legendary investigative reporter Sy Hersh revealed that Perle had furtively met with a leading Saudi investor in Marseille, France, on 3 January 2081

03, in what was seen as an attempt to gain private financial advantage from the planned war on Iraq. A furious Perle responded to the report by calling Hersh a "terrorist". The meeting was arranged on Perle's behalf by none other than Adnan Khashoggi (whom we mentioned earlier). Khashoggi also attended the meeting.

Khashoggi, a trusted adviser to the Saudi royal family, is one of the "high net worth individuals" whose past investments have been handled by Mayo Shattuck, formerly head of Alex. Brown (also mentioned earlier). It is of passing interest that Saudi Prince Alwaleed bin Talal bin Abdulaziz took a 10% stake in Citigroup (also mentioned earlier) back in 1991, following a cash "infusion" of US\$400 million, which was eclipsed from view by The Carlyle Group which acted as the facilitator for the investment.

In 1997, Mayo Shattuck was made Trustee of the Bronfman (also mentioned earlier) family fortune. He resigned as CEO of Deutsche Banc Alex. Brown on 12 September 2001, the day following the tragic events in New York City and Washington, DC—the day that has come to be known as "9-11".<sup>56</sup>

On 13 September 2001, news reports began circulating of suspicious stock market transactions that suggested prior knowledge of the events that were to take place on 9-11. Short sales of airline and insurance stocks that sharply fell in price in the wake of the 9-11 tragedy were later traced back to

Alex. Brown.

#### **Author's Note:**

Documents and other exhibits in support of this story are available on my website, <http://www.deepblacklies.co.uk>, where they can be downloaded by interested readers.

#### **About the Author:**

David Guyatt spent 28 years as an investment banker in the City of London. His last position was as a divisional Treasurer of a major international bank. David now pursues a career in journalism, writing for a variety of media and researching and producing factual material on a wide range of associated subjects. This is his 10th article for NEXUS, the most recent published in 9/01–9/02 ("Project Hammer" parts 1 and 2).

In addition to his feature writing, David has prepared background papers on Anti-Personnel Electromagnetic Weapons for the International Committee of the Red Cross (ICRC), was a contributing member of ICRC's SlrUS Project that sought to define criteria for judging "abhorrent weapons", and has written for the World Development Movement on his "insider's knowledge" of international weapons financing. He has been a consultant on Swiss and UK TV documentaries, exposing the threat of non-lethal weapons and Britain's weapons trail to Indonesia. He assisted the US-based law firm Easton & Levy in its lawsuit against the Vatican for the restitution of the Nazi Croatian

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**If one had to choose a word to describe these apparently diverse connections, that word would surely have to be "incestuous".**

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Treasury which was illicitly transferred to the Vatican and elsewhere at the end of World War II. David has recently completed an in-depth investigation into the black market of gold and has published it as an electronic book, "The Secret Gold Treaty", available through his home page, <http://www.deepblacklies.co.uk>.

### Endnotes

27. See <http://www.marcosbillions.com> for some additional background on Roberto Benedicto and his willingness to front for Marcos. Additionally, I have a two-page Marcos document listing details of the numerous bank accounts he controlled either directly or through others.
28. See Luigi DiFonzo's *St Peter's Banker* (Franklin Watts, New York, 1983).
29. See William Scott Malone's *Golden Fleece* (Regardies, October 1988).
30. See "The Project Hammer File" part one for background on van Rooyen and Stander's involvement in Project Hammer.
31. See news reports circa 2000 of BoNY involvement in illegal money laundering activities with IMF funds on behalf of Russian criminal and political figures.
32. See *Everybody's Business: An Almanac – The Irreverent Guide to Corporate America*, edited by Milton Moskowitz, Michael Katz and Robert Levering (Harper & Row, San Francisco, 1980).
33. Although this may, of course, just be pure coincidence, it is worth noting.
34. For a comprehensive account of the MGM/Credit Lyonnais affair, see David McClintick and Anne Faircloth's informative "Predator", which is freely available on the Internet.
35. See Peter Johnston's story in my e-book, "The Secret Gold Treaty", available for free download at <http://www.deepblacklies.co.uk>.
36. See <http://www.marcosbillions.com> for further details, and also "The Valentine's Day Caper", published at <http://www.FinanceAsia.com>.
37. This is according to the Anglo American website as at November 1998.
38. See <http://www.cryptome.org/za-disrupt.htm>.
39. See "The Project Hammer File" part one for further details.
40. See *Dope, Inc.* (EIR, 1992), page 101.
41. For a detailed background on the Keswick family and related associations, see *Dope, Inc.*, page 115, for the cited reference.
42. See Alejandro Reyes's article, "The Superman of Hong Kong", in *AsiaWeek* magazine, published in 2001.
43. See Anton Chaitkin's "Inside Story: the Bush Gang and Barrick Gold Corporation", at <http://www.afrocentric.news.com>.
44. See *Sunday Express*, March 25, 2001, for details of this story.
45. For du Cann's connection to Lonrho, see Linda Minor's "Follow the Yellow Brick Road, Part 4 – From Harvard to Enron", at <http://www.newsmakingnews.com/lm4,30,02,harvardtoenronpt4.htm>.
46. Their offices are, in fact, right next door to Buckingham Palace.
47. See Christopher Wrigley's "The Privatisation of Violence – New Mercenaries and the State", March 1999, at <http://www.caat.org.uk/information/issues/mercenaries-1999.php>.
48. For further details, see "Rent-a-Spy, Inc.", at <http://www.tjunaimec.org/news/2002/11/79.php>.
49. Minorco held a 14% stake in Salomon Brothers. Anglo American held a 39% stake in Minorco, while De Beers held another 21%.
50. For background on Minorco, see "Anglo American Corporation: A Pillar of Apartheid", published by *Multinational Monitor*, September 1988, at [http://multinationalmonitor.org/hyper/issues/1988/09/mm0988\\_08.html](http://multinationalmonitor.org/hyper/issues/1988/09/mm0988_08.html).
51. See "Rent-a-Spy, Inc." for referenced details.
52. See <http://forums.investorbbbs.com/myforums.pl?u=&B=113>.
53. See the van Rooyen deposition to German police that forms part of the exhibits of The Project Hammer File (part 1).
54. Board directors of Banque Al Saoudi included Sheik Salem bin Laden.
55. For a more detailed background on YAB/42, see "The Secret Gold Treaty" appendix headed "Aquino WWII Gold".
56. My thanks go to Lois Battuello for providing research material on this aspect of the story and for her generous assistance over the years.